

Matthew Gibb
Deputy County Executive

December 1, 2015

Honorable Representative Jeff Farrington
Michigan House of Representatives
Tax Policy Committee
Via : Hand Delivery

Re: HB 5074;HB5075;HB5076;HB4580 - And ALL Substitute Bills presented in relation thereto

Members of the Committee,

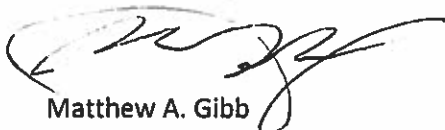
Please allow this letter to serve as our written opposition to the above reference legislative Bills, including opposition to any and all proposed amendments or substitute bills offered. Please include this correspondence in your record and receive these comments for your debate.

The proposed legislation is an attempt to provide singular incentives for a specific development proposal within the State of Michigan. Economic Incentives must be allocated and applied in manner that is equitable throughout the State, and must be weighed against the ancillary effect imposed by the action. The principal Bills create an exempt status in a random manner that will have substantive impact on existing business, but more particularly on local units of government. The substitute Bills allocate a barrier to access to this incentive that will preclude most, if not all of, the remaining areas of the State to their economic detriment. The legislation, as presented creates an improper and undue advantage for the proposed user of the site in West Michigan. Passing single purpose legislation in this manner is not only bad policy but would be immediately harmful to the economic sustainability of this industry throughout the State.

As experts in economic development and the use of all available methods of incentive, we are aware of several existing tools that could be implemented to assist this user to locate in West Michigan. Additionally, there has been no consideration of the imbalance the State of Michigan has against other states in its utility rates for Data users. We have lost several projects in the past due to the high cost of energy in Michigan. Before single use tax breaks are applied in this instance we encourage the Legislature to look at the true barriers to site location of these uses and offer our resources to assist.

We urge the committee to reject this legislation as presented.

Sincerely



Matthew A. Gibb